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ABSTRACT

The success of a merit pay program depends primarily on careful, cooperative planning involving all constituencies who will be affected, so that the resulting plan is affordable, acceptable to teachers, and adapted to the needs of the district. Criteria for awards should reflect the goals of the program, and should be applied fairly and consistently by trained evaluators. Failure of merit pay programs normally results from ambiguous or inconsistent standards, remote or authoritarian planning, or arbitrary award determinations (all of which engender teacher opposition), or from unforeseen administrative complexities and budget limitations. (TE)

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ERIC DIGEST

MERIT PAY FOR TEACHERS

The success of a merit pay program depends primarily on careful, cooperative planning involving all constituencies who will be affected, so that the resulting plan is affordable, acceptable to teachers, and adapted to the needs of the district. Criteria for awards should reflect the goals of the program, and should be applied fairly and consistently by trained evaluators.

Failure of merit pay normally results from ambiguous or inconsistent standards, remote or authoritarian planning, or arbitrary award determinations (all of which engender teacher opposition) or from unforeseen administrative complexities and budget limitations.

What is merit pay?

Merit pay in the broadest sense is a generic term for any device that adjusts salaries or provides compensation to reward higher levels of performance. It comes in many different forms, including merit-based salary schedules, bonuses, incentive pay, and differential staffing or "master teacher" plans. Merit pay can be linked to a district's regular single-salary schedule, so that teachers with high ratings are allowed to advance up the scale more quickly, or it can be administered as a separate "merit pay schedule," supplementing the regular salary. Participation by teachers can be either mandatory or voluntary.

How is merit assessed?

Higher pay for teaching effectiveness can be awarded on the basis of input criteria (teacher performance) or output criteria (student performance). Input criteria may include classroom management skills, preparation of lessons, knowledge of subject matter, instructional techniques, management of student, staff, and public relations, professional ethics, or professional growth. While past systems were largely based on input, current systems tend more and more to be based on output, whereby the degree of progress in achieving specified goals determines the amount of benefits that the teacher receives. These goals may be measured by criterion-referenced tests to ascertain students' mastery of prescribed course content or their ability to perform certain skills. In some programs, teachers are responsible for proposing objectives for themselves or for their students, the fulfillment of which entitles the teacher to merit pay.

Extra pay can be rewarded not only for superior teaching performance, but also for such factors as professional development, additional responsibilities, teaching at a high-priority location, contributions to the total school program, teaching subjects for which there is a teacher shortage, and even for outstanding teacher attendance. "Incentive pay" denotes such programs, which reward teachers for helping the school district achieve certain goals or solve specific problems.

What is differential staffing?

Differential staffing or "master teacher" plans depend on an organizational hierarchy or career ladder to compensate teachers on the basis of experience and qualifications. In contrast to regular merit pay programs, these plans assign additional professional responsibilities at each level of advancement, as well as increasing salaries. Typically, these responsibilities include supervising beginning teachers, assisting peers, evaluation, and curriculum development. Once selected for a position on the hierarchy, teachers are retained there only as long as they perform at a satisfactory level.

Most of the "master teacher" proposals under consideration in the various states also call for modifying teacher certification programs. The proposed "Better Schools Program" in Tennessee, for example, involves four levels of certification: "apprentice teacher," "professional teacher," "senior teacher," and "master teacher."

The advantage of differential staffing over other forms of merit pay is that the prestige and responsibility that comes with higher rank are an intrinsic motivation, above and beyond financial reward, for excellent teachers to remain in the profession. Also, teachers who are promoted to more responsible helping positions are less apt to incur resentment from their colleagues than teachers who are paid more for the same work. Furthermore, when experienced teachers are involved in assisting and evaluating their peers, there is less likelihood of contention between staff and administrators thoughout the evaluation process.

How should a successful merit pay program be designed?

There are three primary considerations to keep in mind while planning a merit pay program: (1) what are its objectives? (2) what evaluation criteria and methods will be used? and (3) how will the program be perceived? More than most administrative innovations, merit pay depends, for its success, on the support of all who will participate or be affected--board, administrators, teachers, and community. All these groups should therefore be included in the planning process. As Jerome Cramer suggests, putting a merit pay plan into effect involves long sessions of persuasion and compromise, drawing upon all the human relations and management skills a school board can muster.

Before deciding whether to institute a merit pay program, board and administrators should establish a committee including a board member, administrative team members, and classroom teachers to research the topic and make recommendations for design. Research should be directed at finding out what has worked and what hasn't in school districts similar to your own, and surveys should be conducted to determine what teachers will support. (At this stage, opinions should be solicited from the local teacher's union as well.)

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The next step is to decide what you want (and what you don't want) by drawing up a list of objectives. These can be either general or specific in scope, depending on district needs. The general objectives of most merit pay programs include improvement of instruction, incentive for professional growth, rewarding good performance, and attracting good teachers. Keep in mind that if your program is to be successful, the amount paid must provide a real incentive to improve performance, all teachers must be evaluated on the basis of agreed-upon criteria, and evaluations must be conducted fairly and impartially by trained personnel. Avoid arbitrary quotas on the number of teachers who can be recognized, for such quotas can only lead to resentment of those selected by those who are passed over.

How difficult are merit pay plans to administer?

Because of the need for well-documented evaluation procedures and the variable salary schedule, the administration of a merit pay program can be cumbersome. A proposed budget must take into account not only the salary increments, but also the cost of evaluation (including that of training evaluators) and the possibility that a greater number of teachers will qualify for merit increases than originally predicted. Due to these complexities, additional administrative staff may well be needed, adding yet another item to the proposed budget.

Other factors to consider in determining the administrative feasibility of a merit pay program include compliance with state law, the level of trust between management and teachers, and public relations. A merit pay schedule must conform to state tenure, employment, and collective bargaining laws.

The best way to build the requisite trust between administration and staff is to involve teachers in all phases of program development, especially in drafting evaluation criteria. Some schools have developed "quality circles", consisting of four to eight teachers and the school principal, to provide a continuing liaison between the teaching staff and the merit pay development committee. These groups review committee proposals, obtain feedback from staff members, and submit recommendations to the committee at each step of the planning process.

What should be included in a merit pay policy?

A board policy should thus include the following components: (1) objectives of the merit pay program, (2) criteria to meet in order to be eligible for merit pay, (3) procedures for application, (4) the evaluation criteria, (5) evaluation and documentation methods, (6) a merit pay schedule, and (7) an appeals procedure. The plan should also be subject to periodic review, to ascertain whether it is meeting the objectives for which it was originally designed.

One thing that will not work, as Cramer observes, is a small pilot program, later to be expanded, since this would almost inevitably incur resentment toward those few teachers selected to participate or to be awarded. Cramer concludes with the following timely caveat: "Unless you plan carefully and include your entire teaching corps in an evaluation plan that it helps develop, your merit pay plan is doomed to failure."

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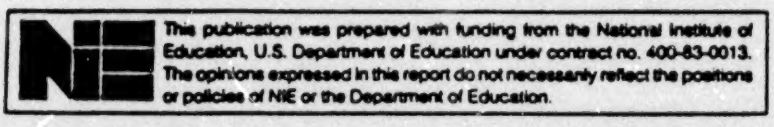
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